Testimony of EVgo/NRG

In opposition to, unless significant changes are made, to H.B. No. 5510, AN ACT CONCERNING ELECTRIC, ZERO EMISSION AND HYDROGEN VEHICLES

Submitted by Jonathan Lee, Development Lead March 10, 2016

Dear Senator Doyle, Representative Reed, and members of the Committee on Energy and Technology:

Thank you for the opportunity to present this testimony on behalf of EVgo/NRG. We appreciate the committee's support for zero-emission vehicles, but we have significant concerns about House Bill 5510 and are unable to support it without a number of important changes. Definitions must be clarified and harmful sections removed throughout; we also have serious concerns about requiring the display of real-time per-kilowatt hour prices on charging stations, as noted below.

First, I'd like to share a few words about EVgo. In the five years since our founding, EVgo has become the country's largest public fast-charging network, with more than 540 sites across the country. Today we operate active direct current (DC) fast-charging networks in 26 of the largest cities in America.

EVgo is different from others in the EV charging network universe. EVgo is not an EV charging equipment manufacturer, which allows us to choose the best available technologies in the marketplace without the limitations of being tied to a single manufacturer. Our company has committed more than \$200 million of capital to build our DC fast charging network – in addition to the significant operations and maintenance dollars we have committed to keep our charging stations in top shape. EVgo has a strong incentive to build charging stations that are aesthetically pleasing, are in safe, desirable locations, and are extremely reliable.

House Bill 5510 could help grow Connecticut's EV market and advance the state's emissions goals through greater adoption of EVs. But a number of critical issues must be addressed:

I. Sections 1, 3, 4, and 8 are flawed and must be amended.

a. Section 1 incorrectly defines electric vehicles and zero-emission vehicles.

Section 1 defines different types of electric vehicles (EVs) and zero-emission vehicles (ZEVs). While most of these definitions are fine, two of the definitions must be amended. The bill wrongly defines "electric vehicle" (subsection 2) and "zero emission vehicle" (subsection 7)

including regular hybrids (like the original Toyota Prius) rather than plug-in hybrids. This is inconsistent with standard definitions of EVs and ZEVs and would likely lead to confusion. Moreover, there are strong policy reasons to exclude regular hybrids from these definitions in case they are later used as the basis for state incentive programs. Regular hybrid vehicles are well established in Connecticut and elsewhere and no longer need financial or other incentives—in contrast to plug-in hybrids and EVs, which are newer technologies.

b. Section 3, which ensures that EV charging stations are not subject to regulation as utilities, takes the right approach but needs to be more specific.

Section 3 clarifies existing law by explicitly stating that EV charging stations do not qualify as a "utility", "public utility", or "public service company". This provision is important because EV charging stations should not be regulated as utilities, which would subject them to unnecessary regulatory requirements. Charging stations are instead required to comply with consumer protection requirements, such as those established by the National Institute of Standards and Technology.

While Section 3 takes the right approach, the language should be more specific. First, it should state that owners or operators of EV charging stations do not fall under the terms of these definitions solely on the basis of such ownership or operation. Second, it should state that owners or operators of charging stations do not qualify as an "electric distribution company" or "electric supplier", in addition to the terms already included in the bill.

c. Section 4 contains misleading or confusing definitions of charging stations, and would establish time of day rates only for public charging stations—despite the fact that the public cannot generally choose their driving hours.

Section 4 misleadingly defines "public" charging stations as free public charging stations, and defines "private" charging stations as those that allow access to anyone. This is confusing and inconsistent with how other states define charging stations. These definitions should be removed, and new definitions should be added for the following terms: EV charging station, public EV charging station, and publicly accessible parking space.

Due to these flawed definitions, Section 8 currently requires a time of day rate to be established only for EV charging stations that allow access to anyone (*i.e.*, public ones). A time of day rate for public EV charging stations would not be a strong incentive because most drivers charge their cars at public stations as needed, and cannot easily tailor their use to a certain time of day.

d. Meeting Section 7's requirement that EV charging stations display the per-kilowatt hour price would be difficult, if not impossible, under current market conditions.

EVgo operates in numerous markets, a number of which do not allow the resale of electricity. To impose this requirement in Connecticut would further make it problematic for EVgo and others to continue to make investments in Connecticut's transportation infrastructure. It is important to note that internal metering is not currently revenue grade.

d. Section 8, which establishes consumer protection requirements for EV charging stations, is poorly worded and must be amended.

Subsection (a) concerns payment options, so it should only apply to public EV charging stations that require payment of a fee. Such stations should not be required to offer specific payment options, but should instead offer payment options that allow access by the public.

Subsection (e), which prohibits membership-only EV charging stations, is too broad a prohibition and could stifle innovation and the development of new business models. First, this subsection should only apply to public EV charging stations. Second, the language should be changed to allow public charging stations to have separate prices for members and non-members, but require access to be open to all.

II. Sections 7, 9, 10, and 11 are unnecessary or harmful and should be cut.

a. Section 7 conflicts with existing standards.

Section 7 includes signage requirements for electricity and hydrogen fuel. This section should be deleted because the requirements conflict with national standards from the National Institute of Standards and Technology Handbook 44, which Connecticut has adopted.

b. Section 9 would discourage installation of EV charging stations.

Section 9 would discourage the installation of EV charging stations by requiring each station to pay an annual registration fee of \$50 starting in 2016. EVgo believes that EV charging stations should eventually be required to register with the Department of Consumer Protection. However, a \$50 fee is too high, and no fees should be required while the EV market is still being established. Requiring immediate payment of a \$50 fee would discourage the installation of charging stations, which would limit charging options for EV drivers. EVgo respectfully suggests that the Committee revisit this issue within the next five years to reassess the need for annual registration.

c. Sections 10 and 11 are unnecessary.

Sections 10 and 11 are unnecessary and should be deleted. They would require adoption of EV charging standards in the National Institute of Standards and Technology Handbook 44 and Handbook 130, which the Department of Consumer Protection has already adopted.

III. Sections 2, 5, 6, and 12 are effective and we support them.

a. Section 2, which requires the number of EVs in the state to be recorded and made publicly available, is critical to ensure transparency and accountability.

We support several sections of the bill. First, Section 2 would require DMV to record the number of EVs registered in the state, and make that information publicly available on the agency's

website. Currently, this information is difficult to obtain. It is critical that we monitor the number of EVs in Connecticut to keep track of the state's progress in getting more ZEVs on the road.

b. Sections 5 and 6 would require the state and electric utilities to plan for increased EV charging and would facilitate a smooth transition to these clean cars.

Sections 5 and 6 would require the state and electric utilities to plan for increased EV charging. Specifically, the utilities would need to integrate EV charging load projections into their distribution planning, and the state would need to analyze the potential for EVs to provide energy storage and other services to the electric grid and identify strategies to ensure that the grid is prepared to support increased EV charging. This type of planning and analysis is necessary to ensure that Connecticut can transition smoothly to a future in which vehicle electrification has become commonplace.

In conclusion, EVgo/NRG could support H.B. 5510 if substantial amendments are made in line with our suggestions. As currently written, however, the bill contains a number of unnecessary, confusing, or harmful provisions that would discourage the growth of these clean cars. These provisions should be removed or amended as necessary.

Thank you for your time and consideration in this matter.

Respectfully submitted,

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